

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6017**

**BILL NUMBER:** HB 1024

**NOTE PREPARED:** Oct 31, 2007

**BILL AMENDED:**

**SUBJECT:** Renewal of Consumer Contracts.

**FIRST AUTHOR:** Rep. Cherry

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** This bill prohibits a contract entered into or renewed after June 30, 2008, from containing an automatic renewal clause. It provides that: (1) a contract may provide a renewal option if the renewal option requires a positive act by a recipient not earlier than 90 days before the expiration of the contract; and (2) a contract provision in conflict with these prohibitions and restrictions is void.

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** David Lusan, 317-232-9252.